

LABOR IN THE NEW DEAL DECADE

*THREE LECTURES GIVEN BY SELIG PERLMAN,
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UNIVERSITY, AT THE I.L.G.W.U. OFFICERS
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FOREWORD

WE in America may well be proud of our tradition of labor scholarship embodied in a whole series of monumental documentary collections, comprehensive histories and brilliant interpretive studies. Much of our achievement in this field we owe to the inspiration and scholarly industry of John R. Commons, who early in this century launched what has come to be known as the Wisconsin school of labor scholarship. In its four decades of fruitful work, the Wisconsin school has not only gained wide recognition in the academic world but has also won the respect and confidence of organized labor with which it has developed close ties of common understanding. Selig Perlman, three of whose lectures at our Officers Institute we present in this pamphlet, is John R. Commons' recognized successor in the field of labor scholarship. At one time Professor Commons' favorite pupil, he now occupies Commons' Chair of Economics at the University and carries forward the researches of the Wisconsin school in a manner worthy of the best traditions of that school.

Professor Perlman's method may be clearly discerned from the lectures included in this pamphlet, brief as they are. It is a method grounded in a profound feeling for what is distinctive in American life. Professor Perlman focuses attention on what makes America and the American labor movement different. He sees in the American character, as it has been shaped through three centuries of American history, the key to an understanding of American institutions. He sees social institutions realistically in terms of the interaction of adverse group interests and collective behavior-patterns. His approach is comprehensive: he recognizes the significance of economics, politics, tradition and ideology alike in the process of social dynamics. It is also open-minded and objective; he has no dogmas or ideological preconceptions to impose upon his material. Through sympathetic identification with the labor movement, he is able to interpret labor as labor would interpret itself to itself. His is an approach that yields results that are not only scholarly but are also sufficiently concrete and realistic to have meaning for everyone interested in the labor movement.

Indeed, for all his academic detachment, Professor Perlman has made no secret of his sympathy for organized labor and its ideals. He has for years been on the most friendly terms with labor leaders at all levels of the movement: his relations have been particularly close, I am pleased to say, with our own organization. It was most fitting therefore, that Selig Perlman should open the series of lectures at our Officers Institute both the first and the second term. For Professor Perlman symbolizes that combination of well-grounded knowledge and sympathetic insight which we hope constitutes the spirit of our Institute.. All professions draw strength and understanding from the work done by productive scholarship in their field, as well as from the interchange of varying, perhaps conflicting opinions. The profession of labor leadership, for today it is a profession, is no exception. We too need the knowledge and insight of the scholar and the stimulus of new and different ideas. We too need to keep abreast of current thinking on the larger aspects of our problems and to see these problems in broader perspective. To meet this need was the purpose of the I.L.G.W.U. Officers Institute launched with Professor Perlman's lectures in December 1943, and I think that those who have followed the work of the Institute during its two terms will grant that this purpose has been kept well in sight.

The lectures of Professor Perlman, presented in somewhat condensed form in this pamphlet, should prove of interest beyond the circle of those who attended his sessions at the Officers Institute. It is not, of course, necessary to agree with everything he says in them to appreciate their value. At bottom, what Professor Perlman is trying to do in these lectures is to formulate and apply in concrete terms his theory of the American labor movement and his conception of its proper relations to other sections of the people and to the institutions of American life. Those who are familiar with Professor Perlman's writings, particularly his "Theory of the Labor Movement," will find in these lectures an interesting summary of his basic approach. Those who are not, and unfortunately the book just mentioned has been long out of print, will find in the following pages a useful introduction to the ideas of one of the most brilliant scholars and social philosophers of the day.

JULIUS HOCHMAN
Chairman, Education Committee ILGWU

Lecture I

UNIONS AND THE FARMER

(December 3, 1943)

THE American scene is changing very rapidly, reflecting the political revolution which, as everyone knows, took place very dramatically some six years ago, when the United States Supreme Court reversed itself and validated a batch of New Deal legislation. This was done by the old United States Supreme Court, perhaps as a move to stave off the reorganization of the Court which the New Deal Administration was at that time pushing through Congress. However, what the motive was makes little difference. What we got as the result of the changed attitude of the Court a few years ago was an entirely different political set-up in the United States. For the first time in our history we had a national government that could interfere authoritatively in industrial relations.

Since 1937, in fact, our national government has been at least on a par with the government of Britain in its authority to intervene in the industrial relations of the country. The action of the Supreme Court really amounted to a revolution because it was bound to put our labor movement into politics.

I am not one of those who look down upon the past leadership of the American labor movement. I do not regard Samuel Gompers as a person who was shortsighted or incapable of grasping the problems and opportunities of his own day. On the contrary, I am a great admirer of Samuel Gompers as a leader of the American labor movement of his time. Nor do I believe that he was shortsighted or narrow-minded because he did not believe in pushing the labor movement of this country into the legislative and political struggle. The Gompers approach was justified in Gompers' day because at that time the structure of the American government did not permit any great success to be accomplished by the legislative or political

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route. We did not have one government; we had forty-nine governments. And not only that, but under the official doctrine which then prevailed among the American judiciary—and after all the judiciary has the last say in those things—the government was deprived of the right to exercise sovereignty over business.

We really had in this country two parallel sovereignties: the business sovereignty, which was protected by the United States Supreme Court; and the sovereignty of the government, which in those days was a minor sovereignty in this field. Today, however, we have a government that is really sovereign and for that reason the American labor movement, since the days of Gompers, has been obliged to take a broad view and to embrace politics and legislation in its field of activities.

Now this means that it becomes very important for the labor movement to study fully and comprehensively what I would call the social topography of America. For instance, in your own industry, situated as you are for the most part in the metropolitan districts of the country, you no longer can feel that you can solve your problems here in conjunction with your employers and with your local public opinion without regard to the social topography of the rest of the country.

I am going to concentrate my remarks on the attitude of the farmers and the small-town business men toward the labor movement in our time. Now I know, of course, that it has become fashionable to apply what you might call the economic interpretation to the behavior of social groups and classes. I am not against the economic interpretation. On the contrary, I know perfectly well that when a social group, labor not excluded, is in a position to reach out and enhance its income it will certainly do so. So far I follow what you might call the economic interpretation of group behavior, but it seems to me that that is only the beginning. It is not the whole story of group behavior by any means.

Take, for instance, the American farmers. My colleagues in the Department of Economics at Wisconsin University have shown clearly that basically the interests of the farmers of our State are really the same as the interests of labor. Our farmers are not grain-raising farmers; they are dairy farmers. They manufacture butter

and cheese for sale, and statistically it can be demonstrated that when labor is prosperous, then the farmers, the dairy farmers, are likewise prosperous. Furthermore, our farmers are not large-scale producers employing hired labor whose wages might go up with wages in general. No—our farmers operate only the fair-sized type of farm with a minimum of employment of hired labor.

So, from the standpoint of economic self-interest, you would say there ought surely be no difficulty in bringing together an understanding between such farmers and labor. But what are the facts?

There recently took place in my home town, in Madison, Wisconsin, a series of conferences attended by large groups of farmers. At these conferences the atmosphere was predominantly anti-labor. You could not mention labor without making the farmers foam at the mouth. It is this particular thing that I am going to try to explain to you because I think it is very important. Right now the American political scene is dominated by this hostility between farmers and labor. Congress is dominated by this antagonistic alignment and, in order to understand what the labor movement as a whole in this country is facing right now, you have to try to account for it.

But first we have to develop a method of interpreting group behavior in order to be able to deal with this problem. I am going to give you, in brief, a theory of the behavior of economic groups which I think will be helpful in dealing with the problem. Mind you, I have already taken account of the cruder features of interpretation in terms of economic self-interest: when there is something to be gotten by merely reaching out for it, then I take it for granted that any group will do so. But when you have to deal with broader problems, when you have to think in longer-range terms, some other method of interpretation has to be applied.

There is nothing mysterious in the method of interpretation of group behavior which I am going to place before you. It is based entirely on American labor and social history, and I hope that you will bear with me if I take you very briefly over the whole extent of American history.

In order to understand the behavior of the American farmer or the behavior of American economic groups generally, you have to

start with an idea of the kind of opportunity that operates in each case. When I try to explain why business men have a certain ideology or why labor has a certain ideology, I find that each of these groups starts from the same initial point.

Take the group and consider the economic opportunity that is available in each case; in other words, size it up and see whether the opportunity is expanding or contracting, whether it is limited or unlimited. Let us consider, for instance, your typical American business man. Take Andrew Carnegie as a good example. How did his mind work?

Andrew Carnegie started with a belief that economic opportunity was unlimited and consequently he could make himself believe finally and sincerely that there was no need for anyone to come in and restrict individuals or corporations in their economic behavior or in their economic action—just leave them alone and give them their heads and, as a result, opportunities would be multiplied and everything would be well.

To him opportunity was not like the quantity of oxygen in a hermetically sealed room which gets consumed as it is used; rather it was like the free oxygen in the air. And for that reason he felt that there would be no need—on the contrary, it would be stupid—to subject the business man, the enterpriser, to restrictive regulation by either the government or the trade unions or any other type of institution.

That is one pattern of thinking which you still find largely dominating American thought. You find it very strong in the smaller towns, among the small-town business men and among the farmers, particularly the eastern farmers.

Now let us go back to the western farmer. As you know, the western farmer has from time to time broken out in political revolt. These revolts began perhaps as early as the history of the United States as a nation, but we think of them particularly in connection with the movement against the railroads, the so-called Populist movement, the Bryan movement and, in my own state, the LaFollette movement. I want you to follow carefully the particular pattern of this radical farmer revolt.

Here is how it ran. Like the American business man, the western farmer started with the basic premise of an abundance of opportunity. Perhaps he was first inclined to put it in theological terms, that God had ordained that in this country, in the Western Hemisphere, the honest producer should be able to realize his paradise. Here the honest producer was given unlimited opportunity and unlimited natural resources, and he was not saddled with an aristocratic caste system. That was how your western farmer began his line of reasoning.

But, unlike the typical business man, when he looked around he was not satisfied. He did not see those possibilities and opportunities become realities. On the contrary, he saw that this paradise which Providence had intended for the honest American producer was being barred to the producer, who was not permitted to realize the full fruit of his toil but was being compelled to pay toll.

In other words, the farmer found that some special interests, some special groups, had managed to build fences around opportunity, thereby making it possible for them to exact tolls from the honest producer.

The villain in this drama differed from time to time. At one time it was the land speculator who had been able to lay his hands on the most desirable tracts of land, thereby preventing the homesteader from staking out his homestead. Then again it was the railroads which levied extortionate tolls. Then it was the banker who charged usurious rates of interest for the accommodations to which the farmer was entitled. These various groups, the farmer found, had sneaked into his God-intended paradise and had converted it into a miserable sort of place. That was his honest belief.

The next step was: "Let's go into politics. The special interest groups are able to put over their nefarious work because they manage to corrupt the government, so let us bring the government back to the people."

Here you have your political anti-monopoly movements, the Grange, the Farmers' Alliance, Populism, the Bryan movement, the LaFollette movement, and so forth. The farmer reasoned thus: "If by means of political action we put the monopolist behind bars, then individualism will be made safe for the small fellow."

I want you to note carefully this particular point, that what the farmer was out for was to make individualism, economic individualism, safe for the small fellow. Your farmer did not want to establish a national discipline over himself. He desired economic freedom for himself. It was and is the free market that he craves; he believes that if the monopolists or the special interests are taken care of, then the free market will yield to the honest producer a full return from the soil.

That is exactly what I am driving at, namely, that even the reform-minded farmer is primarily an economic individualist who does not wish to submit to any organizational discipline or to be regulated by the government. In other words, even your "radical" farmer wants a free market—that is his ideal.

The American labor movement began a long time ago and developed largely under the influence of this type of ideology. If you study the records of American labor, you will find that the labor movement took this ideology from the farmers, so that labor and the farmers would periodically be found participating jointly in political and economic struggles. On the whole these political excitements were never of long duration. They would start like a prairie fire, would wrest some concessions from the group in power and then die down until the next time. In those earlier days the labor movement always participated under the leadership of the farmers.

Then came the turning point in the history of American labor. That turning point came towards the end of the nineteenth century, under the leadership of Samuel Gompers. The unions began to develop an ideology purely their own, reflecting their own position, their own situation and opportunity as they saw it. It is of interest to note that it was the influence of Marxian socialism that helped keep the unions at this time from being rushed off their feet by farmer-controlled and farmer-inspired reform politics. The class-conscious socialism of Marx served, if you please, as an incubator for an independent labor ideology. To be sure, it began as a class-conscious ideology, and originally Samuel Gompers was a class-conscious socialist.

I recall an incident here which I think is of interest even though it is personal. It happened several years ago. In my book on Amer-

ican labor history I had stressed that socialism was the intellectual source of the Gompers kind of unionism. When I heard that Gompers was writing an autobiography, I began to worry. I was afraid that, in view of the far from pleasant relationship that had existed between him and the socialists, he would deny his intellectual and spiritual indebtedness to the socialism of his youth. But Sam was an honest man and the autobiography which was published in 1924 denied nothing. On the contrary, he honestly avowed his indebtedness to the socialism of his earlier years.

In effect, the socialism of his earlier class-consciousness enabled Gompers and his associates to have enough sales resistance, so to speak, enough emotional and intellectual resistance, to withstand the pressure of the farmers' ideology and to develop an independent outlook distinct from that of the Andrew Carnegie type of business man or the anti-monopoly farmer.

Again it was a question of the kind of opportunity. Economic opportunity for the working man means job opportunity and even in that earlier day job opportunity was by no means unlimited. And when you deal with limited job opportunities there arrives the necessity for strict union discipline. The union has to control these job opportunities. In other words, the union really constitutes itself as something in the nature of an economic sovereign. Many people think of a union as just a private organization. Well, I think unionism is rather something in the nature of nationalism. It implies control by the union over the sum total of job opportunities. Thus arise the rules and regulations controlling the individual worker's relationship to his job. And I might stress here the basic distinction in attitude between the farmer, even the radical farmer, and the trade unionist.

To the radical farmer, as I have pointed out, the ideal situation is a free market, free of monopoly control, where economic individualism has been made safe for the small fellow. But that is by no means the case with the trade unionist. For the trade unionist the ideal situation is control, control over the job—the union shop, where the union is recognized and where the union legislates.

Now I want to underline this basic distinction between the outlook of the farmer and the outlook of the trade unionist. It is this

difference in outlook that explains why, when the two groups come into contact, they develop certain incompatibilities immediately.

I have observed them at work, for many years, in our Wisconsin legislature, a Progressive legislature, a legislature which was controlled by the LaFollette Progressives. I saw bills which had been introduced by trade unions crippled or killed by Progressive farmers. I remember, for instance, that in 1926 there was a labor bill introduced into the legislature which aroused the farmers so much that they attached 84 amendments to that poor little bill. Well of course the bill was drowned finally. And, mind you, that was a Progressive legislature.

This incompatibility develops all along the line. The farmer, even the progressive farmer, is afraid of concentrated economic power. He is afraid economic power is moving in on him. Of course, his fear is often directed at Wall Street. He envisages Wall Street as a solid phalanx, with Morgan as symbol and head, ready to crush and subjugate him, and he cries, "Down with Wall Street!" He wants economic freedom and a free America.

But when it comes to labor unionism he frequently has the same reaction. For instance, when he observes that John L. Lewis apparently has the votes and wills of six hundred thousand miners in his pocket, he says, "Why that is the very same thing, a vast economic power moving in on us, just like Wall Street."

And I can say this much, that emotionally or sentimentally the farmer reacts even more strongly to labor moving in on him as a master than he does to Wall Street. In the case of Wall Street he may fear and resent the oppressor but at least he does not feel any social humiliation because after all Wall Street is socially superior. But it is different in the case of the wage earner whom the farmer looks upon as a sort of hired man or servant girl. When the wage earners organize into strong unions and begin to move in on him, his reaction is one of indignation. It is a good deal as though the servant girl, in the absence of her mistress, had rigged herself out in her mistress' finery. It is an outrage.

Now, of course, this is not very just. It is not fair. I do not subscribe to the farmer's feeling of superiority, but that is the way he does feel.

Why do we find the farmers responding so warmly to anti-labor slogans and measures? To be sure, we know that their slogans and measures are not of a spontaneous origin, that the leaders of American business are having a very good time sitting on the sidelines and watching the farmer and the worker getting into each other's hair; and very likely they have not been sitting on the side lines all the time. Very likely there has been some instigation and inspiration, but just the same, there is something in the farmer which makes him respond to this incitement. The inspiration may be from the outside but the bitter feeling is certainly there.

Let us look at the question of subsidies. When the New Deal first came in after years of depression, the farmer did not hesitate to take subsidies from the government. When he was menaced with the loss of his farm due to mortgage foreclosure, he took subsidies. But he was never happy about it. He took the subsidies because he had to and they were given to him almost for the mere asking; but at the same time he had the uncomfortable feeling that he was a kept man. The situation was not ideal from his standpoint. His ideal was a free American, dependent only on himself. He took the subsidies but he was not satisfied. Somehow he felt that his honor was affected, that he was being supported by the government.

To him the ideal situation was, as I have stressed, one in which the market was such that he would get a good income through his own efforts, without anybody doing it for him. Call it fanciful, perhaps, but life is full of such fancies.

That was ten years ago. Now let us look at the present situation. The market from the farmer's standpoint is ideal. In other words, the farmer feels that he can make more than a fair living because the farmer's income has never been so high; the farmers are saving money, paying off their mortgages. The farmer of course does not realize that the market is ideal not because it is a natural market but because it is a "rigged" market, rigged by the government. If the government were to withdraw its demand for farm products for the army, for our allies, if the government were to stop pumping out into the wage-earning groups the huge amounts of purchasing power with which to buy farm products, then the farmer's prices would, of course, drop with a thud. But the farmer does not see that. He thinks

the time has come to cease being anybody's kept man. He does not want subsidies; he wants a favorable market situation—that is, high prices. Then he will be able to feel that his prosperity is a spontaneous outgrowth and due to his own efforts. He is against subsidies and for high prices.

Perhaps it might be said that there is a pretty simple economic interpretation after all for the farmer's attitude. For instance, an explanation might be offered to this effect—if the government pays subsidies to keep the consumer's prices down, the national debt will be increased and later on we will have to pay for it. But I doubt very much whether any of us are giving much thought now to the national debt and certainly the farmer is not worried about it, because people like him will not have to pay very much toward the reduction of the national debt.

Or again it might be argued that the farmer would like to have the consumer public get accustomed to paying higher prices. But experience shows that there is no such thing as getting the consumer accustomed to higher prices. As soon as the demand is withdrawn, farm prices are bound to drop. This is a fact of experience. So you see that none of these so-called rational economic explanations of the farmer's aversion to subsidies holds water.

I put all this out to you because I want you to think of these problems in terms of the specific ideologies and specific outlooks that characterize the American farmers, as well as the small-town people, and the middle class in general.

Many people have, from time to time, advocated the reconstruction of our American political life. They would like to introduce more revolt and clearer demarcations in our political life. They would like to have a conservative party on the one side and a farmer-labor party on the other. After many years of observing political developments at close range, I am ready to assert that I see no possibility of that. The farmers and laborers cannot cooperate except under very exceptional circumstances. Such cooperation, of course, is possible if labor accepts the farmer program as labor did prior to 1900 in the Populist or Bryan movement. Then labor cooperated with the farmers, but it was the farmer that played the tune to which labor danced.

There are other circumstances when labor-farmer cooperation is possible. Such cooperation may be brought about by a political leadership enjoying the confidence of both sides. Take, for example, Wisconsin in the days of LaFollette. The Progressive leadership in those days was not a labor leadership. It was a middle-class leadership; and the Wisconsin legislature was a middle-class farmer legislature. The older LaFollette, however, enjoyed the confidence of labor and the farmers both, and he served as the intermediary between them. The farmers and labor would not have stuck together as long as they did in Wisconsin without the LaFollette political leadership coming in and sitting in the driver's seat as it were, driving the two horses by taking good care to keep them at some distance from one another so that they should not start kicking each other.

But these circumstances are, after all, exceptional. More usual is what happened in Wisconsin in 1937. That year, you remember, was a great year for American labor unionism, a year of tremendous expansion. We had an upsurge of unionism even in the peaceful farm landscape of Wisconsin. Unions came in to organize the employees of the farmers' cooperative creamery. The teamsters' union called a strike and the farmers answered by breaking the picket line.

The year 1937 was a year when the state's political climate was most favorable to labor. At that time we had a State Labor Board and the union came before this board. But the State Labor Board knew enough not to rush in where angels feared to tread. So the union took the case to the National Labor Relations Board which, at that time, was composed of people who really did not know very much about America. The National Labor Relations Board ruled against the employer, the farmers' cooperative. Labor won a victory but it was the kind of victory for which labor paid very dearly, because in the following election we had our blessed Julius Heil foisted upon us as governor. In other words, our Wisconsin political reaction was hastened very much by this attempt at unionization, which precipitated hostility between the farmers and organized labor in the state.

Now that is the situation in actual fact and we should keep it in mind when thinking about the American labor situation in general, especially about what is to come after this war.

As I said at the beginning of my talk, the American labor movement can no longer isolate itself from national life, from public opinion expressing itself in politics, and that means, of course, the opinion of the farmers.

In thinking constructively about the next few years, which may decide the entire structure of industrial America, we cannot afford to dismiss this aspect of America, the farmer and the people in the small towns, with the idea that all that is necessary is to throw them some economic bait, some economic advantages, and you will have their support. No, on the contrary, we have to think in terms of their pattern, their approach. It is not enough to go to the farmer and to prove to him statistically that his own prosperity is really tied up in the prosperity of labor. That is too abstract and unconvincing. It should be remembered that to him organized labor is a strange animal and when labor comes close to him he is apt to get a certain phobia—all of which, of course, is to the advantage of the anti-labor elements who, in my opinion, have not yet really accepted unionism. On the contrary, it is my analysis of the situation that unionism in this country is still very much on trial and that those large corporations, which under the influence of the favorable political climate of the last eight or ten years have been obliged to recognize the unions, are hardly reconciled to accepting unionism in the way the British manufacturer accepts unionism, for instance. Unionism is still facing a fight for its existence and under the present circumstances very likely this fight will be further handicapped by a reaction against unionism on the part of the farmer.

Now, of course, you will ask me the question, "What remedy do you propose?" Frankly, I haven't any remedy to propose. I have not come here to propose any remedies. I have merely come here to acquaint you with the social topography of the United States as I see it after thirty-five years of observation. In my next lecture perhaps we will talk about remedies, but today permit me to content myself with the mere description of the situation.

Lecture II

THE LABOR MOVEMENT AND THE GOVERNMENT

(December 4, 1943)

MY FIRST lecture centered around intangibles, around the patterns of thinking of typical American economic groups. Today I shall also stress the intangibles because these intangibles play a very important role in our social relations and in our lives in general.

I always like to make a historical approach to any discussion of contemporary problems. Let us, therefore, take a look at the attitude of the American labor movement historically.

I touched upon this matter in my previous talk and so there is no need for me to spend much time describing the traditional attitude toward the government on the part of the American Federation of Labor under the leadership of Samuel Gompers.

Students of the labor movements visiting this country are generally puzzled by the suspicious attitude toward government which characterizes the American Federation of Labor. This suspicion still persists, and as I have tried to point out, it did not arise as a mere whim or manifestation of narrow mindedness; it was the product of the actual conditions of American labor.

Under our system of government in those days it was very difficult for the labor movement to derive any real advantage from the operations of government. Inevitably, and wherever labor tried to use government for the purpose of protecting itself, it ran up against the courts. It invariably ran up against our governmental system under which government was built not for strength but for weakness. And so, labor found itself as a result of such experiences in the position of the king who marched his soldiers up a hill only to march them down again. Participating in politics, trying to use government, got labor nowhere.

That attitude toward government—namely, that government was something that stood aside from the real center of economic or social life—was also characteristic of business, except that business was in a position to use government more effectively, especially in such matters as the protective tariff or the public domain.

Because government, under the conditions of those days, was such an extraneous factor in life, and for other reasons as well, the American labor movement developed a government for itself—I speak of course of the historical labor movement, the American Federation of Labor.

There are many who find it difficult to understand the American Federation of Labor. I was in that position myself until I began to think of it as a species of government. And here is how I imagined the whole matter to be.

Let us think of the American Federation of Labor—which until recently was the American labor movement in its entirety—as an empire of jobs, a job empire. Wherever there are jobs, that is the territory of the legitimate labor movement. Let us assume that this is the basic concept of the American labor movement, that the American Federation of Labor is something like a job empire which divides itself into subdivisions, job kingdoms. Whenever a national union is chartered by the American Federation of Labor it becomes just such a job kingdom; it derives its right to exist from this overall job sovereignty, or job empire. Any other union that steps in and tries to invade the job territory assigned to such a union by the job empire is therefore an illegitimate intruder.

There are many who find it very difficult to understand why there should be so much hatred of dual unionism in the American labor movement, why dual unionism should be so much the *bête noire*, so much the outlaw in the American labor movement. Psychologically it goes back to the absence of class consciousness in American labor and to the precariousness of unionism under American conditions. It is very difficult under American conditions to get a union established and to have it stay put. It seems as though the whole community, all the factors in American life, were in conspiracy to destroy it. And when you have two unions which compete for the same members, these two unions are invariably in conflict. They can

never agree to disagree. They are forever engaged in a civil war. So that the only way to keep peace in the family is to prevent such civil wars by outlawing dual unionism; that is, by stressing the concept of legitimacy. Under this concept there can be only one legitimate union in each field, only one legitimate job kingdom deriving its right to exist from the job empire, and any other job kingdom that decides to come in without authorization from the universal job empire is therefore an outlaw union and must be suppressed, no matter what justification this particular union may have.

In Britain too they are familiar with dual unions and they call them “breakway” unions. They condemn them but they do not apply the drastic policy of absolute excommunication to a dual union, even to a union that does not want to belong to the British Trades Union Congress.

Why are they so much milder in their attitude towards dual unionism than we are? I think, perhaps, because of the higher degree of class consciousness that prevails there. That atmosphere of class consciousness makes it possible for a British union to be a dual union and yet not be regarded as a conspiracy and excluded from the family of labor. In other words, where you have a strong cementing influence, you can afford to tolerate differences and conflicts because you know that they will not lead to destruction. But in the absence of this cementing influence, this moderating influence, a union is obliged to use mechanical means to suppress the danger and so here we have developed this attitude of absolute excommunication for dual unions, which, in turn, transforms the American Federation of Labor into a kind of government.

The British Trades Union Congress is not like a government. It is an annual meeting where union delegates come together and put forth a program which is mainly a series of demands upon the government. But it does not operate like a government with drastic methods of control over its members. But with us we have developed the government aspect of trade unionism. Of course I realize fully that there is another principle at the basis of the American labor movement, the principle of autonomy, the principle of self-government and self-direction of the chartered unions. But there is also

the principle of regularity, of legitimacy, so that our labor movement has the aspect of a government. Again, I do not ignore Samuel Gompers' emphasis upon voluntarism, but underlying it there is the classic assumption that there is only one legitimate labor movement, the American Federation of Labor, which operates as a job empire and that the charters it issues are certificates of legitimacy.

I do not believe that deep down the American labor movement really believes that a vote by the employes of a given plant or department can make a union legitimate. In other words, I don't believe that at bottom the American Federation of Labor believes in the plebiscitary method of establishing a legitimate union. To be sure, it will not publicly repudiate that method, which is the democratic method—the method that we are familiar with in our political life. But I do not think that it accepts it as final; it will tolerate it only when it thinks the results will coincide with another method, namely the method of the exclusive job-empire charter.

Now we are getting closer to the subject of government. As I pointed out in the last lecture, some years ago we experienced a mighty political revolution in the course of which government was put into the center of the economic picture. This took place when the present administration forced the United States Supreme Court, even before its reconstruction, to permit it to use drastic powers of government such as are possessed by the government in Great Britain.

So government came into the center of the picture. And of course it came into the labor picture in the person of the administrators. Here we come to a very important problem of the day, the relationship between the American labor movement and the government administrators. In fact, it would seem today as though the customary processes of collective bargaining were being ignored with everything, apparently, going to the government for settlement.

Here again let me stop for a moment and try to give you the historical explanation for this development under wartime conditions as compared with a country like England.

As you know, in Britain the labor movement had to put up a long struggle for recognition. But by 1910 one might say that the

struggle had been won. The British employer, by and large, has come to accept unionism as an accomplished fact. He has come to expect his employees to join a union just as he expects his employees to go to church or chapel. This development of union recognition came by slow degrees, as an organic process, as a growth—not always peaceful, to be sure, but finally culminating in a situation where unionism is accepted as a matter of fact.

But what happened in this country? You know perfectly well that unionism in this country was not allowed to exist in the heavy industries. By 1901 there was a new anti-union pattern that came to be the model for the American employer—a pattern that was developed by the United States Steel Corporation. The board of directors of that corporation took what amounted almost to an oath to extirpate unionism, and persisted in that oath for something like thirty-seven years. It was not until 1937 that the United States Steel Corporation—to everyone's great amazement and surprise—signed up with the steel workers, who at that time had become well organized.

But for a period of thirty-five years, beginning with the earliest years of the present century, American heavy industry set out to shape its industrial relations without the participation of unionism. Then came the collapse of 1930, and then the New Deal. The government was thrown into the picture as an important factor in industrial relations.

When in 1937 the courts validated the Wagner Act we had, at last, industrial government in the great majority of our industries. Management was brought under a legal obligation to deal with unions. But the whole development was very unlike the British situation. In Britain there were some rather stormy and turbulent times, but when the marriage of management and unionism did take place, it was not at the point of a gun. Public opinion discovered virtues in the new situation and came to depend upon unions for the joint administration of industrial relations.

In this country, because of the long delay and because of the fact that the government had to force the growth of industrial government, the whole situation was surrounded by a different sort of atmosphere than in Britain. It was the atmosphere of a shotgun

wedding and shotgun weddings hold little prospect of real connubial bliss. The bridegroom is never satisfied. He feels he has been roped in and is forever dreaming of an opportunity to regain the freedom of his bachelorhood.

The war, of course, imposed a discipline upon all the groups in America. But the trouble was that we did not have institutions of industrial self-government as deeply entrenched in practice and as fully accepted on both sides as those of England. As a result, our industrial government lacks the robustness of that of Britain. As many of our employers have accepted the machinery of collective bargaining under duress, they are not willing to go ahead and use it, or else they make minimum use of it. That is one of the reasons for the paradoxical situation that this, the most anti-bureaucratic of nations by tradition, tends in the management of its very important industrial relations to lean more upon centralization, more upon government administration, than a country like England where the anti-bureaucratic tradition is by no means as strong. That is why we have such government agencies as the War Labor Board and that is why we have government administration of industrial relations in this country.

Now in a roundabout way I have brought you back to the central problem, namely, the relation between unions and government in our present setup, with tremendous powers and influence being vested in the government administrators. It is incumbent upon us at this time to take a look at the mentality of these government administrators. Who are they? They are intellectuals, often college professors or social workers, and their basic assumptions on the American situation are a very important factor.

Let me illustrate. Take, for instance, the National Labor Relations Board. The National Labor Relations Board exists under the Wagner Act and the underlying assumption of the Wagner Act, as well as of the Board, is that a union becomes a legitimate spokesman in the collective bargaining process as a result of a popular vote. But does the American labor movement believe in this plebiscitary method of legitimatizing a union? It is one of those things that people do not talk about very clearly. But it is my feeling that basically the American Federation of Labor does not really believe in the pleb-

iscitary method any more, for instance, than modern nations believe in the plebiscitary method as a way of establishing frontiers or limiting territories. They start out with the basic concept that such and such is their national territory over which their national flag must wave. They look upon their national existence as a well-defined entity, somewhat frayed at the edges, perhaps, as a result of an adverse fate which deprived them of frontier provinces. But no plebiscite can really determine the legitimate bounds of their national territory.

It is my feeling that basically that is how the American Federation of Labor looks upon its job empire. A particular union may vote itself out or vote itself in but basically the voting does not determine or legitimatize anything. What really creates a legitimate union is a charter from the American Federation of Labor. That is what accounts for the illogical attitude you frequently find among unions. They will accept the result of a plebiscite if it is favorable to them but they will not accept it if it is not favorable to them. They will not quiet down and abide by the vote any more than a nation will quiet down and accept the fact that a particular province has voted to secede and join some other nation. That is one of the differences between the historical American labor movement and the government administrators.

Government administrators look upon the labor movement not as a sovereignty but as a voluntary association subject to the general political sovereign. It is not something which exists because it exists but something which exists by permission of the State. That is definitely not labor's viewpoint.

Another example is the War Labor Board and its handling of the union shop question. The War Labor Board has developed a compromise known as the membership maintenance device, and as compromises go it is a very clever one. Of course the employers want the open shop. They want freedom from the union shop and so the maintenance of membership is a compromise as far as they are concerned, forced on them by the administration. But what does this compromise mean?

It means that any individual within the prescribed time can vote himself out of his allegiance to his union sovereign. To the admin-

istrators or to those who approach the labor movement from the outside that seems very logical and very democratic because they look upon trade unions as voluntary associations like lodges or fraternal societies and they believe that the bond that should bind individuals with those associations should be the bond of voluntary membership which, of course, implies the right to contract oneself out. I doubt very much whether the labor movement really accepts the maintenance of membership clause. When the war is over I expect that this device will be rejected by labor and the unions will go after the absolute union shop.

Here again there is a very strong parallelism between the union and the nation. Nationalism and unionism have a good many psychological attributes in common.

I introduce the question of unionism to my students at Madison, many of whom come from rural districts, by pointing out this particular parallelism. I tell them about something that took place in our town about ten years ago. We were putting up a new university building. The contractor was a Chicago man who agreed to employ union labor but didn't. A number of our fellow citizens marched down the principal street breathing menace and destruction against these Chicago non-union importees and it was very fortunate that the Chicago lads were fleet of foot so that they could escape the wrath of our Madison trade union sympathizers.

I ask my students how they can account for this phenomenon? The people who participated in that mob were not criminals. On the contrary, they were our neighbors, many of them we knew quite well. The only accounting for their behavior is to imagine what a group of Texans in the state of Texas would do should the Mexican army invade their state. They would arm themselves and drive out the Mexicans, even if they had to kill them. That would not be murder but patriotism.

Our government administrators do not approach the problem from this angle. They do not understand unionism as a species of sovereignty developed over a long period of years under conditions when we had full freedom, complete freedom to develop our social organizations. It is an open secret that there is a great deal of tension between union leaders and government administrators, the

union leaders often feeling that the administrators do not understand their job nor have any idea of the difficulties under which they, the union leaders, labor.

The government administrators come from economics classrooms or from social work or from some similar walk of life. They do not realize that unions are themselves governments subject to political struggle for position so that leaders who make certain pledges to the government and try to live up to them may really be taking their political lives in their hands. The administrator speaks on behalf of what to him is the sole living sovereign in the country. Consciously or unconsciously he feels superior. He assumes that it is one's sacred duty to obey. Labor leaders just don't see it that way.

There is another thing characteristic of the attitude of the administrators. They are obsessed by one fear. Our administrators, many of them students of economics, are under the influence of economics and they are obsessed by the fear of inflation. Of course runaway inflation is a real danger and we need but recall the experience of other nations to realize that. But these economists and administrators can see nothing else but the inflationary gap. My fellow economists have outdone themselves in developing that line of argument in a most convincing way. Under wartime conditions, they point out, we have turned the major part of our productive capacity to war production and we have thus diminished the output of consumers' goods. At the same time, we have hired more people, put them to work at longer hours, and poured out to them millions of dollars in wages so that a gap between their purchasing power and the supply of consumers' goods is bound to develop. This inflationary gap for the year 1943 is supposed to be thirty-six or thirty-eight billion dollars. This is the source of the great fear, the fear that this gap of thirty-six or thirty-eight billion dollars would upset our entire program of economic stabilization.

But what about savings? I think if we look we will find that our people are saving. Here is where the administrator goes wrong because he does not look closely enough to see what actually motivates Tom, Dick, and Harry.

It seems to me that the American people have undergone a basic change of attitude. Formerly they used to take prosperity for

granted. Prosperity was a normal phenomenon and depression was an abnormal thing. In the last war if you talked to wage-earners, especially to those who had never belonged to a union, you found that they looked upon prosperity not as a windfall but as the normal situation; they expected to see it continue when the war was over. But if you talk to the average wage-earner today you find that he does not take prosperity for granted. He has known what it is to be on relief, or on the W.P.A., and that is an experience that has burned deep into his mind. And so he does what the farmer has always done. He is trying to lay aside something for a rainy day.

I lectured at Madison the other day to a group of students, most of whom had a farm background, and this is how I tried to explain the labor situation. I pointed out that the farmer is now earning more than ever before. What is he doing with his money? He is paying off old debts, reducing his mortgage, or laying something aside for a rainy day. We don't begrudge him this, I added, because we realize that our economic future is most uncertain.

Nobody feels that we are on the threshold of a tremendous prosperity. The average man looks upon our present wartime prosperity as a windfall and he is determined to make hay while the sun shines because there may be a lack of sunshine hereafter. So the farmer makes money and fortifies himself against the rainy day and labor does the same thing.

Now here again is where the public administrator fails to hit the nail on the head. When we discuss the Little Steel Formula or issues related to it what do we generally drag out? The cost of living and whether there hasn't been a drastic change in the cost of living in relation to wages and so on. The President recently appointed a committee headed by William H. Davis of the War Labor Board to investigate the recent trends in the cost of living and to report his findings within a few months. I do not know what that report will be. I imagine it will be to the effect that the Bureau of Labor Statistics index is, on the whole, correct. But I think that this approach misses the point. The average laboring man is not thinking in terms of a living wage. He wants a saving wage. He wants to be able to do what the farmer is doing and what business corporations are doing—to lay up against a rainy day which he knows is sure

to come. He is very pessimistic as to how long present prosperity will last.

Here again we can see a certain incompatibility of outlook between our administrators and the Tom, Dick and Harry of the labor movement, or the Tom, Dick and Harry who work for wages whether they belong to a union or not. Take the administrator who has had a statistical training. He swears by certain indices. If he comes from social work he has the social worker's viewpoint. He talks about a living wage and so forth. But he simply can't see things as the trade unionist or the wage-earner sees them. The administrators may be very good democrats, they may be good Americans, and they may mean well—there is no question about that—but they simply can't see things from the workers' viewpoint. That is the source of incompatibilities and divergences and conflicts which give rise to such hostility to bureaucratism, to such bitter dislike for the administrators and officialdom on the part of the labor movement and the people in general.

That is something we have to reckon with, especially since the leading role that government is playing in our economic life is not now a mere temporary phenomenon. The government will remain in the picture after the war, perhaps for the indefinite future. I do not expect that once the war is over, business will within a reasonable time re-employ the ten million or so people who will need employment. On the contrary, I think our economic situation will be more difficult as a result of the war than it was before the war.

After all, which is the most exposed sector of our industry? It is made up of those industries which produce iron, steel, machinery, and so forth. These are the industries which had the greatest stagnation and unemployment in the early 1930's. They showed no power of expansion. Whatever expansion there was, was in the consumers' goods industries.

Then came the war. We were obliged to build new plants to expand the productive capacity of the basic industries. When the war is over these new plants, more efficiently operated and more efficiently laid out than the old, will try to drive the old plants out of business and thus drive their workers out of employment.

I cannot imagine our business groups, even with freedom from government interference, being able to recapture the Nineteenth Century situation where economic expansion was a spontaneous affair. Now, if we are to expand economically, it will have to be not a spontaneous expansion but a managed expansion, managed by the government.

A great deal depends upon the political set-up after 1944, but no matter who will be the next incumbent of the White House, I cannot imagine that it will cease to be the main center of American vitality it now is, because the economic situation will compel it to continue along the same lines.

In other words, we are going to have the two sets of administration—government on one hand and industry and labor unions on the other—and the two will have to work out some kind of a *modus vivendi*, some kind of understanding with each other, so at least to prevent a head-on collision.

When the war is over we are going to have the government in the picture. We are going to have administrators in the picture, and we are going to have a labor movement that will not be too weak to impress itself on the general situation. Now the extent to which the labor movement will be able to shape American industrial relations after the war remains rather problematical. My own feeling is that right now the business leaders have not yet made up their minds.

They dislike the present situation in heavy industry. They are suffering from the effects of a shotgun wedding but even a shotgun wedding does not have to end in murder or in the divorce courts. Their emotional attitude, perhaps, is already crystallized. But does this dislike of unionism go as far as dictating a militant policy of attempting at all costs to regain the pre-New Deal situation? Well, a great deal depends upon what will happen in the political arena, of course. And so I want to take a little time to discuss the political policy of the American labor movement as I see it in the light of American labor history.

Let us take a look at the political situation from the standpoint of the American labor movement. The American labor movement is an old movement. It has a life and continuity of its own. It is going

to survive the present administration and is going to continue because it is one of the important forces in American life.

It seems to me that the labor movement should look at the present situation from a double standpoint. On the one hand, of course, it must strive to salvage the gains made in the past ten years. There is no question about it—the labor movement has gained in power and influence as a result of the favorable political climate that has prevailed during the past decade. The labor movement must try to preserve this political advantage.

But on the other hand the labor movement should conduct itself with prudence. We do not know how to forecast the political behavior of the American people. The labor movement will have to survive and function no matter what political changes or developments take place. It will have to fight for its own existence and that means, of course, it will have to preserve its internal health.

Unfortunately, there has developed a tendency to depend entirely upon government and with this tendency a prejudice against Samuel Gompers. I have always respected Samuel Gompers. I shall not now pretend I have not. With all the changes that have taken place the basic Gompers attitude to have the labor movement stand on its own feet, the basic attitude of distrusting dependency, is still a healthy attitude.

We must be mindful not to become too dependent upon political developments so that a political change may not leave us all flat and incapable of meeting the coming storm.

Lecture III

LABOR AND POLITICAL ACTION

(January 12, 1945)

WHAT is the basic ethical commitment that you and I make? I would say that it is a commitment in favor of realizing human dignity. Having made this commitment, we find ourselves confronted with the task of formulating a practical program for realizing this ideal in the American environment. There was a time when every one of us, I assume, believed that the socialistic formulation, with its basic concept of the class struggle in the Marxian sense, with its basic insistence upon class organization and political struggle, was the only way in which to realize our social and ethical commitment, and to those who still cling to this formulation, I would say, "All honor to you!" I have no criticism to make of such loyalty.

But I have lived here in this country now for something better than a third of a century. I have spent nearly all of it in the heart of America, in the upper Mississippi valley, and I have devoted my whole time to studying American social movements and American politics. I have reached the conclusion that we need to do some additional hard thinking. I am not at all inclined to cast aspersions upon the hard thinking of our youth but it seems to me that here in this country we encounter distinctive patterns of social action, distinctive patterns of political action, which we must recognize. We must understand these patterns if we are to get anywhere in our efforts to realize the ethical dignity of the human being.

Let us take government. In our youth, as I said a short while ago, we had the class-struggle approach to political action. We characterized the old parties in the United States as capitalist parties and insisted that what was needed was a new party, a labor party or a working-class party. That we regarded as the acme of social insight

and understanding. Yet issuing from that standpoint, no one could have predicted the tremendous social progress made in this country in the last ten or twelve years according to an entirely different pattern of political action.

Let us compare the political parties of the old countries—England, pre-Hitler Germany and Scandinavia—with our own. In the old countries, political parties tend to be the instruments of definite social classes, of definite social and economic groups. Those parties clearly bear the imprint of the particular social and economic groups they serve; so you have conservative parties, liberal parties, labor parties, etc. But in this country we encounter an entirely different type of political party.

In this country, a political party does not stand hitched to a particular social-economic post unable to get very far from it. On the contrary, it is quite free to wander all over the lot, not only to graze in the immediate vicinity of the particular post to which it is hitched. It is free to do its political grazing—its votegetting and its getting into office—all over the social-political meadow.

Remember this, that our political party is a politicians' party. It is as if we should look upon the government as an industry that turns out a particular product or service which we call government. Our political party is in itself an entrepreneurial phenomenon; it is in business, so to speak. But, mind you, when I say that it is like a business, I am not at all desirous of casting contempt upon it. I am merely describing it. That is how things are. Our political party is a politicians' party. It is an enterprise, a productive enterprise, if you please, that turns out a particular commodity called government.

Well, you have two rival productive enterprises, each desirous of obtaining the customer's signature on the dotted line. For that reason, since it is a business seeking a market for its product, our type of political party is inclined to be rather open-minded as regards the particular commodity or kind of product it is willing to manufacture.

Now I will stop talking in riddles and try to describe just what I mean. Take the Democratic party. It is a party which is quite heterogeneous so far as its composition is concerned. In the center,

you have a group of managers. I call them political entrepreneurs. They, as I have said, study the political market, just as any entrepreneur does, and then they try to attract the customers who sign on the dotted line on Election Day.

There are at least three distinct sets of customers to whom they must cater. There is the South, which is very conservative, and right now is obsessed with the fear of the rise of the Negro. It is wedded, at least in part, to the slogan of white supremacy. That is one of the steady customers of the Democratic party. Then there are the great metropolitan populations—not that portion of our metropolitan population which is organized in trade unions and which, for that reason, thinks independently and collectively on matters political. I am referring to the great unorganized, those, for instance, who follow Mayor Kelly of Chicago. You know, of course, that the city bosses represent a certain type of political enterprise. They are in business and they keep themselves going, they retain the loyalty of their followers, by carrying out what I like to call a certain kind of illegitimate social work, doing favors and helping people out of trouble. And, thirdly, of course, there are the reformers and the labor movement and those who have a social program.

Now, with a political party thus constituted, you have an instrument that, like a modern machine gun, can be directed to cover a large area of the political arena. There thus arises what I call collective-bargaining politics. This is precisely the historical method developed by the American labor movement for achieving effectiveness in politics.

The American labor movement started out about a hundred and twenty years ago with a labor party, the Workingmen's Party in New York City in 1828. But it discovered very quickly that what it was doing was setting up as an amateur against a professional; the professional, the established political party—it was already Tammany—showed it knew how to steal the thunder of the Workingmen's Party.

There was one clever man in that movement, a Welshman called George Henry Adams. He drew the following conclusion from his experience with the New York Workingmen's Party: "Let us not try to set up a political shop of our own but let us bargain with the

established political going concerns." In other words, he really formulated the technique of pressure politics, or what I would call collective bargaining in politics. *of West
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The political entrepreneurs who stand in the position of national leadership in the party prefer to deal with unorganized customers, with customers who look only at the label and do not possess sufficient power or understanding to look behind the label. Here is clearly indicated a method of consumer cooperation or consumer control in politics.

The labor movement, the farmers' movement, the other types of movements with particular social objectives, have leaders or spokesmen who engage in collective bargaining with the managers of the political enterprise, striving to influence the decision made by these political enterprisers as to the kind of political goods to be manufactured.

As you see, that is the standard American method, the method of collective bargaining in politics. It began and continues as a two-sided collective-bargaining process—on the one side, the managers of the political enterprise, speaking for their political organization, which includes all sorts of people from respectables in silk hats to wardheelers and henchmen; on the other, the spokesmen of the various movements—the labor movement, the farm movement, the humanitarian movements and so forth, speaking for their groups as collectivities, and thus engaging in collective bargaining.

In the last three decades or so, a new wrinkle was introduced into this pattern of collective bargaining in politics, a wrinkle which strengthened the non-politicians, the spokesmen of the social movements, in their bargaining with the politicians. This new wrinkle was the primary election.

It was the primary election which made it possible for these organized groups—organized social groups such as labor, farmers and others—to infiltrate the political parties with people of their own choosing. They are no longer obliged to make bargains with the central leadership of any political party. Under the primary system, they can put forth individual candidates of their own choice, whose loyalty to the program of the movements they can trust, and can get them nominated on the ticket of the political party.

I call that the process of infiltration. I remember, for instance how President Coolidge was vexed when he discovered that Republican Congressmen, or at least some of them, did not take their cue from the White House but rather from the political associations or the social groups in their own districts to whom they owed their nomination and election. In other words, as a result of this new wrinkle in the pattern of American politics, the internal discipline, the solid discipline of the political party, has been broken by the process of infiltration.

Here we have another characteristic of the pattern of political action in the United States. Your political leader has to be exceedingly flexible, something like the manager of a hotel or a summer resort, striving to attract a great variety of customers from all parts of the country and from various social groups. He has to make each group feel that it is welcome, that he is eager to serve them. That is the kind of leadership that American politics calls for—a very flexible kind of leadership that can make all those different groups, each of which has made a special bargain with the party, feel at home, feel that they are wanted in the party. And of course the political leaders also have to deliver at least a part of their promises if the concern is to remain in business.

In view of all this, it is but natural that Europeans should be puzzled when they try to figure out what the American political party is. It does not seem to conform to any particular model of political party that they as Europeans are accustomed to. It seems very much like a crazy quilt.

Take the Democratic party with its very heterogeneous composition; it does look like a crazy quilt. Altogether different groups seem to unite on Election Day on the same national candidates but on the day after the election those groups may be and often are at each other's throats. They have very little in common. In fact, they are quite antagonistic to each other. And that creates the impression of the instability of this typical American political party.

The question is asked, How can a political party hang together when it has such a great diversity of supporters, supporters who are at opposite poles in their social outlook? But perhaps this diversity is the very reason why the political party does stick together.

It realizes its own heterogeneity. The leaders know that they are bound by certain limitations, that they must not endanger the solidity of their party, that they must forever be on the lookout for danger signals.

That is why, for instance, I was not at all surprised when President Roosevelt, practically the day after the election—in which organized labor played a very important role—seemed to forget about the aid that organized labor and the liberals had given him so effectively and so vociferously in the election and turned his beaming countenance upon the conservatives in his party and sent in those appointments for the State Department. I was not at all surprised because I realized that President Roosevelt is very much in the position of a clever and efficient hotel keeper who tries to attract and to hold the goodwill of a great variety of customers. After a while he will probably turn his beaming countenance again upon the liberals and progressives and laborites, with whom he has a great deal in common, of course, although he is not entirely alien to the others with whom he is hobnobbing right at this moment.

Such is the structure of politics in the United States. I know that to many of us this picture is in some ways distasteful, perhaps very much so. We would like to see a clearcut realignment in American politics. We would like to have a political party that would express fully our ethical commitments and our social objectives. But I am sorry to say—and I have to say it because it is my conviction—that I believe that such a realignment in our political life would really operate to enthrone the conservatives in power forever. This is basically a very conservative country, it is a country in which the labor movement lives in a rather hostile environment, hostile either actually or potentially. That is why I do not believe in this kind of clearcut, independent political action. I fear the result. I feel that the result would be to render the attainment of our social and ethical objectives practically impossible. Whether we like it or not, the kind of political action that we are obliged to follow is the method of collective bargaining in politics, pressure politics.

Let us see now how far we can go in pursuing that method. We call it pressure politics. How far can we go in exerting our pressure? And here I want to introduce a few words of caution.

I have likened our typical American political party to a hotel, managed by a skillful and diplomatic manager, who, being a businessman, naturally wants to attract a wide variety of customers. But it is a hotel as well as a business enterprise, and as such there is the problem of keeping the different customers living side by side in some degree of harmony, if not in mutual affection.

In other words, while the American political party is a business enterprise and as such is ready to do business with everybody and to make all sorts of bargains for mutual advantage, there is a limit to such tolerance. There are certain emotional factors which must be taken into consideration since they might break up this mutual acceptance.

You remember in 1928, when the Democratic party nominated Al Smith, the Solid South for the first time broke away. We called it bigotry and that is what it was. The Solid South was willing to live in the same political hotel with the Roman Catholic city bosses of the North, but it wouldn't take a nominee for the presidency who was a Catholic.

The same thing is true of labor. I have heard it said that the very significant part played by labor organizations and the PAC (Political Action Committee) in the reelection of President Roosevelt points the way to labor taking over the Democratic party. But that is nonsense, because among those who live in that Democratic political hotel, labor is only a junior group—not from your standpoint and not from my standpoint, but from the standpoint of the older groups in the party.

Should labor start to act as though it owned the place, the others would be ready to force the hotel into temporary bankruptcy, as they did in 1928 when Virginia voted Republican in order to punish the management and to force it to mend its ways. This is a very important limitation of the method of collective bargaining in politics.

It is not like bargaining on the market where all sentiment, all emotion, is presumably ruled out and where business rationalism is the only factor at work. In politics, we are dealing with human nature, human nature in the raw, sometimes very much in the raw,

and consequently these emotional considerations often play a very crucial role. That is why I was not enthusiastic when I heard predictions that now was the time for labor to take over the Democratic party. The Democratic party would not be taken over by labor. Let us not fool ourselves. Labor is not a popular group, looked up to in the American community. Certainly the farmers and the small-town people do not look up to it.

Country people, farmers and small-town people, feel definitely superior to the big-city population and to people who have to earn a living by working for wages. At the first inkling that labor was about to take over their political party, they would feel exactly like a body of old patrons of a hotel when new elements begin to move in and try to take it over. They would say, "Well, this hotel is now being overrun by undesirable people. It is time for us to move out or at any rate to stay away for a season and see if the management of the hotel will not mend its ways." Here you have the basic limitation on pressure politics.

Of course, you should go on exerting pressure but you must use discretion. Don't create the impression that you are taking over the enterprise because then the whole thing would be apt to go to pieces.

I want to emphasize again that our labor movement finds itself in the midst of a hostile environment. In every period in American history in which labor made rapid gains, these advances were always accompanied by a wave of hostility on the part of other groups, especially middle-class groups and farmers. In order to be effective in pressure politics, or what I have called collective-bargaining politics, the American labor movement must tread very carefully. It is on trial.

I do not know how the political configuration of 1948 will shape itself but I can give you some bits of advice. For one thing, avoid creating the impression that labor, which has played a big role in 1944, is now moving in to take over the Democratic party. For another, devote more attention to cultivating Congress. I know, of course, how many of you are going to react to that. Congress is the bad boy in our American politics and we have tended to think that in relation to Congress our task is limited to finding out who are

the worst of the lot so as to throw them out. That is all the most of us think of in connection with Congress.

But Congress is a permanent institution and a very powerful one. I can well remember how, during the reactionary Twenties, when the occupants of the White House did not look particularly hopeful from the progressive point of view, the progressive-minded people in the country did get a great deal out of Congress.

Therefore, I emphasize that it behooves the labor movement to cultivate Congress, not merely to organize punitive expeditions against particular Congressmen. Congress is a very touchy body and the Executive in the past twelve years has pushed Congress into a corner. I think that the swing of the pendulum is going to come the other way after the war under the new Administration, whoever will be the occupant of the White House. Congress will swing back, I think, into a position of great strategic importance and we should take account of this fact, as we should take account of all facts. After all, what does all I have been saying this afternoon add up to but this: Labor must face the facts of American politics and plan its political strategy accordingly.